

AMENDMENT TO HOUSE AMENDMENT TO SENATE
AMENDMENT TO H.R. 976
OFFERED BY MR. BARTON OF TEXAS
(Children's Health Insurance Reinsurance Act of 2007)

In lieu of the matter proposed to be inserted by the
House Amendment, insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “SCHIP Extension Act
3 of 2007”.

4 SEC. 2. EXTENSION OF SCHIP.

5 Section 2104 of the Social Security Act (42 U.S.C.
6 1397dd) is amended—

7 (1) in subsection (a)—

8 (A) by striking “and” at the end of para-
9 graph (9);

10 (B) by striking the period at the end of
11 paragraph (10) and inserting a semicolon; and

12 (C) by adding at the end the following new
13 paragraph:

14 “(11) for fiscal year 2008, \$5,000,000,000; and

15 “(12) for the first 6 months of fiscal year 2009,
16 \$2,500,000,000.”; and

1 (2) in subsection (c)(4)(B), by striking “and
2 \$40,000,000 for fiscal year 2007” and inserting
3 “\$40,000,000 for each of fiscal years 2007 and
4 2008, and \$20,000,000 for the first 6 months of fis-
5 cal year 2009”.

6 **SEC. 3. ADDITIONAL ALLOTMENTS TO ADDRESS SCHIP**
7 **FUNDING SHORTFALLS FOR FISCAL YEAR**
8 **2008 AND FIRST 6 MONTHS OF FISCAL YEAR**
9 **2009.**

10 Section 2104 of the Social Security Act (42 U.S.C.
11 1397dd) is amended by adding at the end the following
12 new subsection:

13 “(i) AMOUNTS TO ELIMINATE FUNDING SHORT-
14 FALLS FOR FISCAL YEAR 2008 AND FIRST 6 MONTHS OF
15 FISCAL YEAR 2009.—

16 “(1) IN GENERAL.—From the amounts appro-
17 priated under paragraph (4) for a shortfall period
18 (as defined in paragraph (5)), the Secretary shall
19 allot to each shortfall State described in paragraph
20 (2) for such period such amount as the Secretary
21 determines will eliminate the estimated shortfall de-
22 scribed in paragraph (2) for the State for the short-
23 fall period.

24 “(2) SHORTFALL STATE DESCRIBED.—For pur-
25 poses of paragraph (1), a shortfall State described

1 in this paragraph for a shortfall period is a State
2 with a State child health plan approved under this
3 title for which the Secretary estimates, on the basis
4 of the most recent data available to the Secretary as
5 of a date (specified by the Secretary) during the
6 shortfall period, that the projected Federal expendi-
7 tures under such plan for the State for the shortfall
8 period will exceed the sum of—

9 “(A) the amount of the State’s allotments
10 for the two fiscal years ending before the short-
11 fall period that will not be expended by the end
12 of the more recent such fiscal year;

13 “(B) the amount of the State’s allotment
14 for the shortfall period; and

15 “(C) the amounts, if any, that are to be re-
16 distributed to the State during the shortfall pe-
17 riod in accordance with subsection (f).

18 “(3) PRORATION RULE.—If the amount avail-
19 able under paragraph (4) for a shortfall period is
20 less than the total amount of the estimated short-
21 falls determined by the Secretary under paragraph
22 (1) for such period, the amount of the estimated
23 shortfall for each shortfall State determined under
24 such paragraph for such period shall be reduced pro-
25 portionally.

1 “(4) APPROPRIATION; ALLOTMENT AUTHOR-
2 ITY.—For the purpose of providing additional allot-
3 ments to shortfall States under this subsection—

4 “(A) FISCAL YEAR 2008.—For the shortfall
5 period specified in paragraph (5)(A), there is
6 appropriated, out of any funds in the Treasury
7 not otherwise appropriated, such sums as are
8 necessary for such fiscal year, but not to exceed
9 \$1,500,000,000.

10 “(B) FIRST 6 MONTHS OF FISCAL YEAR
11 2009.—For the shortfall period specified in
12 paragraph (5))(B), there is appropriated, out of
13 any funds in the Treasury not otherwise appro-
14 priated, such sums as are necessary for such
15 period, but not to exceed \$1,100,000,000.

16 “(5) SHORTFALL PERIODS SPECIFIED.—For
17 purposes of this subsection, each of the following is
18 a ‘shortfall period’:

19 “(A) Fiscal year 2008.

20 “(B) The first 6 months of fiscal year
21 2009.”.

1 **SEC. 4. OPTION FOR QUALIFYING STATES TO RECEIVE THE**
2 **ENHANCED PORTION OF THE SCHIP MATCH-**
3 **ING RATE FOR MEDICAID COVERAGE OF CER-**
4 **TAIN CHILDREN.**

5 Section 2105(g) of the Social Security Act (42 U.S.C.
6 1397ee(g)) is amended—

7 (1) in paragraph (1)(A), by inserting “subject
8 to paragraph (4),” after “Notwithstanding any other
9 provision of law,”; and

10 (2) by adding at the end the following new
11 paragraph:

12 “(4) OPTION FOR ALLOTMENTS.—

13 “(A) PAYMENT OF ENHANCED PORTION OF
14 MATCHING RATE FOR CERTAIN EXPENDI-
15 TURES.—In the case of expenditures described
16 in subparagraph (B), a qualifying State (as de-
17 fined in paragraph (2)) may elect to be paid
18 from the State’s allotment made under section
19 2104 for any fiscal year (beginning with fiscal
20 year 2008) (insofar as the allotment is available
21 to the State under subsections (e) and (i) of
22 such section) an amount each quarter equal to
23 the additional amount that would have been
24 paid to the State under title XIX with respect
25 to such expenditures if the enhanced FMAP (as
26 determined under subsection (b)) had been sub-

1 stituted for the Federal medical assistance per-
2 centage (as defined in section 1905(b)).

3 “(B) EXPENDITURES DESCRIBED.—For
4 purposes of subparagraph (A), the expenditures
5 described in this subparagraph are expenditures
6 made after the date of the enactment of this
7 paragraph and during the period in which funds
8 are available to the qualifying State for use
9 under subparagraph (A), for the provision of
10 medical assistance to individuals residing in the
11 State who are eligible for medical assistance
12 under the State plan under title XIX or under
13 a waiver of such plan and who have not at-
14 tained age 19, and whose family income equals
15 or exceeds 133 percent of the poverty line but
16 does not exceed the Medicaid applicable income
17 level.”.